

Workforce News



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Mountainland: Summit, Utah, Wasatch

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Population – a Regional Strength

Inside:

- **Summit:** Summit County's population grew 53 percent in the past eight years to just over 30,000 in 2008.
- **Utah:** The population of Utah County grew 40 percent since 2000, reaching 520,000 in 2008.
- **Wasatch:** There were 15,433 inhabitants in Wasatch County in 2000, adding 49 percent by 2008.



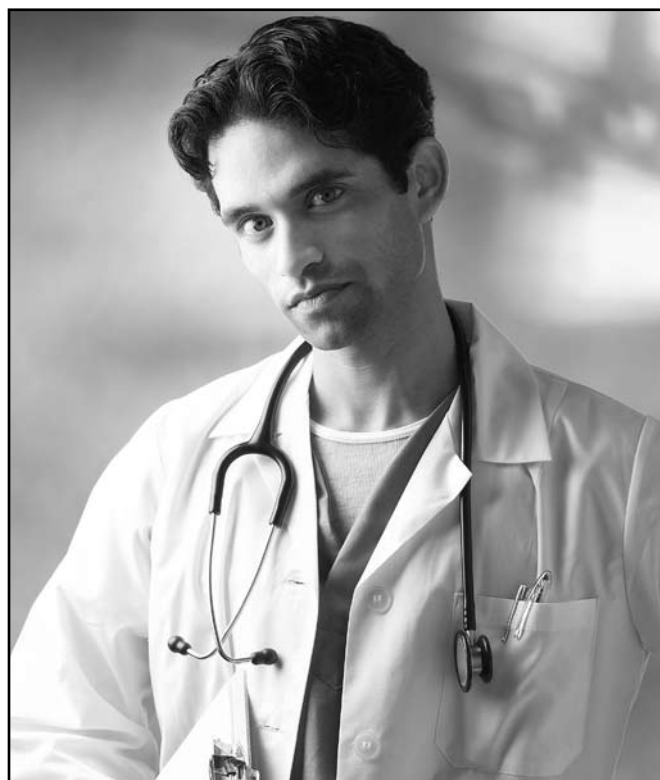
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The labor market and economic situation in the nation, in the state of Utah, and in the Mountainland Region (Utah, Summit, and Wasatch Counties) are currently in recession. Home prices and construction continue to fall, credit is tight for consumers and industry, retail sales are down, more businesses are reducing jobs than are hiring, and unemployment is rising. Consumer confidence is very low and business has cut back on investments. It

is not possible to know precisely when this economic contraction will end and economic growth will resume. Yet, there are characteristics of the Mountainland Region and the state as a whole that position this area for the expansion that will come.

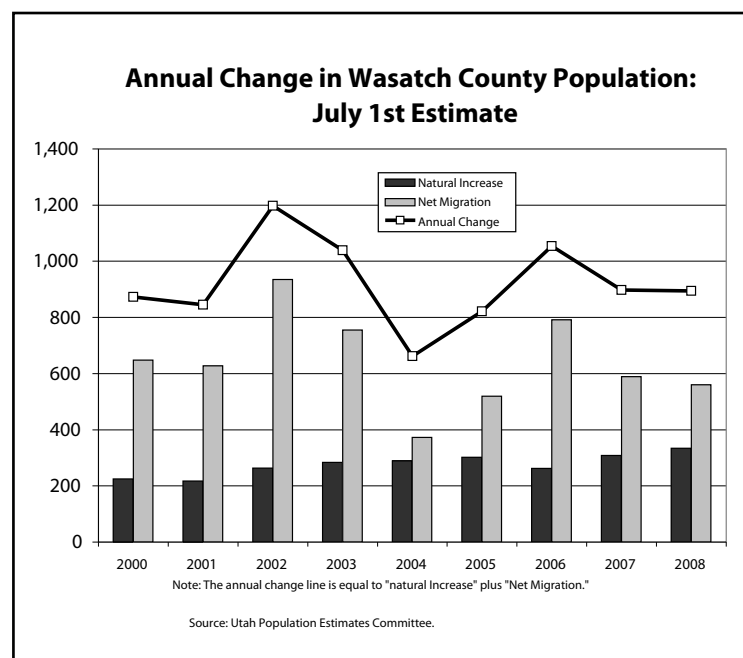
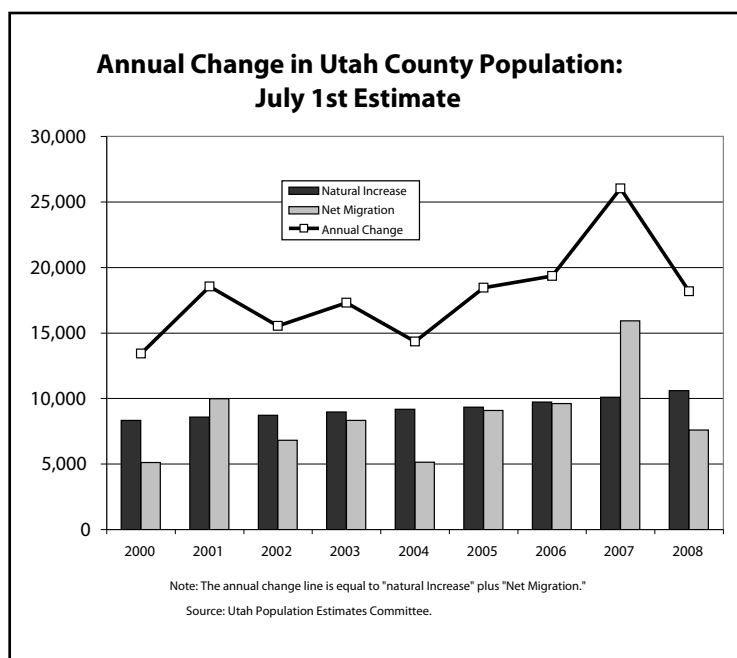
Utah workers are known to be productive with a strong work ethic, are on average the youngest in the nation, and value education and training. Utah fosters a favorable business environment that includes low business taxes, pro-business regulation, and low energy prices. Workers and businesses benefit



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Population (continued)



from the vast recreation and cultural opportunities and amenities found within the state.

One important quality found within most Utah regions that has supported economic health throughout the state's history is strong population growth. Of course the Mountainland Region includes Utah County, the state's second most populous county with 18.8 percent of its residents, and Summit and Wasatch Counties that are increasingly tied to the capital city and the Provo-Orem metropolitan area.

According to the Utah Population Estimates Committee, the Mountainland Region's population reached 582,428 on July 1st, 2008, an increase of 20,618 above the estimate one year ago. This year-over gain of 3.7 percent was the smallest growth in annual population since 2004, when the region was emerging from the "dot-com" recession.

Annual changes in population are measured as mid-year estimates as of July 1st and are comprised of two components: natural increase and net migration. In 2008, there were a record number of births in the twelve months prior to July 1st—13,410 in the Mountainland Region, up

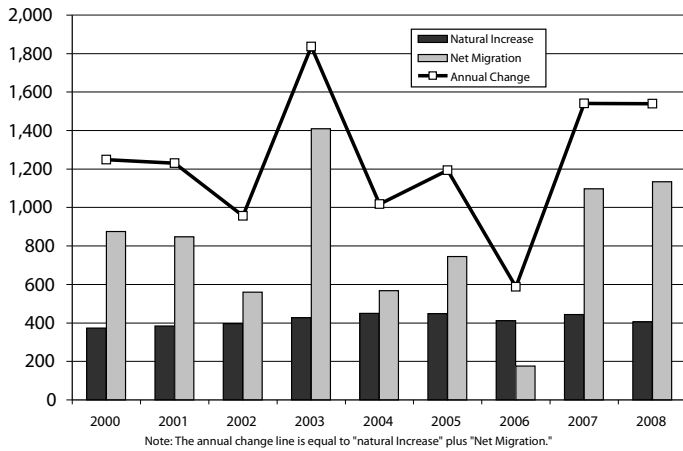
3.8 percent from 2007. Deaths in the area were 2,078. The resulting natural increase, births minus deaths, was 11,332 persons. This is the highest level of natural increase recorded for the Mountainland Region and marks the first time it has exceeded 11,000.

Net migration, the difference between the number of people moving into the region (in-migration) and the number of people moving out of the area (out-migration) for the twelve months prior to July 1st, is the other component of annual population change. For 2008, net migration was a positive 9,286, with that many more people moving into the region than the number of people leaving the area. Since 2000, there have been more people moving into this area each year. From 2000 to 2008, the population of the Mountainland Region has increased by 39.5 percent from 417,375 in 2000 to 582,428 in 2008. Over this eight-year period, there have been 96,208 births and 15,352 deaths—resulting in natural increase of 80,856 or 49 percent of population growth. Total net in-migration of 84,197 for the eight years comprises the other 51 percent of population growth.

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Population (continued)

**Annual Change in Summit County Population:
July 1st Estimate**



Utah County

The population of Utah County grew 40 percent from July 1, 2000 to July 1, 2008. In 2000 there were 371,894 residents, growing by 147,738 to reach 519,632 by 2008. Natural increase accounted for 51 percent of the growth at 75,229 (89,017 births minus 13,788 deaths) over eight years. Total net in-migration of 72,509 comprises the other 49 percent in population growth. In the last eight years Utah County has averaged 4.3 percent growth each year.

2008 was less than average with an increase of just 3.6 percent. Natural increase for 2008 was 10,593 while there was net in-migration of 7,592 and a total change in population of 18,185.

Summit County

Summit County is growing a little slower than the region as a whole. The population grew by 33 percent from July 1, 2000 to July 1, 2008. In 2000 there were 30,048 residents, growing by 9,903 to reach 39,951 by 2008. Natural increase accounted for 34 percent of the growth at 3,367 (4,200 births minus 833 deaths) over eight years. Total net

in-migration of 6,536 comprises the other 66 percent in population growth. In the last eight years, Summit County has averaged 3.6 percent growth each year.

2008 was above average with an increase of 4.0 percent. Natural increase for 2008 was 405 while there was net in-migration of 1,134 and a total change in population of 1,539.

Wasatch County

Wasatch County is growing faster than the region as a whole. The population grew by 48 percent from July 1, 2000 to July 1, 2008. In 2000 there were 15,433 residents, growing by 7,412 to reach 22,845 by 2008. Natural increase accounted for 30 percent of the growth at 2,260 (2,991 births minus 731 deaths) over eight years. Total net in-migration of 5,152 comprises the other 70 percent in population growth. In the last eight years, Wasatch County has averaged 5.0 percent growth each year.

2008 was below average with an increase of 4.1 percent. Natural increase for 2008 was 334 while there was net in-migration of 560 and a total change in population of 894.

The Mountainland Region, and Utah as a whole, has a naturally increasing population. Demographically these regions are younger (with women having higher fertility rates than nationally), households on average are larger, and residents survive to older ages. In addition, while there can be periods of out-migration, over the long run, more people move into this region than move out. This positive population growth dynamic supports the greater-than-average economic growth that these regions continue to display across the decades. **WFN**

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County News

Utah County:

2008 was the year of a slowing economy for most industries in Utah County and large, increasing job losses in construction that worsened as the year progressed. Year-over job losses for the county were recorded in the second quarter of the year and continued in the third quarter. In September (the most recent month of complete county data available), Utah County employment was 187,790, with 1,472 fewer jobs than recorded in September of 2007. The industries with the highest year-over job losses were construction (-3,849), manufacturing (-540) and financial activities (-288). Major industries with the largest year-over gains were local government/public education (+965), healthcare (+863), and professional, scientific, and technical services (+676).

County unemployment began the year at a remarkably low rate of 2.8 percent—a rate considered to be below “full employment”, where all workers could find a job—given normal turnover of people moving in and out of the labor market. Throughout the year it has increased gradually, reaching 3.9 percent on a seasonally adjusted basis by December 2008. In December there were approximately 223,430 residents of Utah County in the labor force, with about 8,820 unemployed. Comparable figures for January 2008 were 228,260 people in the labor force and 6,430 residents unemployed.

Summit County:

Summit County unemployment also started 2008 at a very favorable rate of 2.9 percent, which is below the “full employment” rate. During the year it has trended gradually higher, reaching 3.6 percent on a seasonally adjusted basis by December 2008. In December there were approximately 22,820 residents of Summit County in the labor force, with about 830 unemployed. Comparable figures for January 2008 were 23,080 people in the labor force and 670 residents unemployed.

In the first quarter of 2008, year-over job growth averaged a robust 8.1 percent. In the second quarter construction job losses manifested themselves, with overall job growth of 3.8 percent compared to second quarter 2007. In September of 2008, there were 20,890 jobs in the county, 685 more than recorded in September 2007. These favorable growth rates are somewhat inflated because of retail jobs incorrectly credited to Wasatch County in 2007 that were moved into Summit County in 2008.

Industries with real job increases September 2008 over September 2007 include: leisure and hospitality (+381) and local government/public education (+153). Construction had job losses of 259.

Wasatch County:

Wasatch County unemployment in January 2008 was 3.2 percent, which is below the “full employment” rate. During the year it increased, reaching 4.1 percent on a seasonally adjusted basis by December 2008. In December there were approximately 11,060 residents of Summit County in the labor force, with about 454 unemployed. Comparable figures for January 2008 were 11,030 people in the labor force and 350 residents unemployed.

In September of 2008, there were 6,765 jobs in the county, 700 less than recorded in September 2007. These job losses are inflated because of retail jobs incorrectly credited to Wasatch County in 2007 that were moved into Summit County in 2008.

Industries with real job increases September 2008 over September 2007 include: professional and business services (+50), healthcare (+33) and local government/public education (+27). Construction had job losses of -268. **WFN**

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What's Up?

A new California discount supermarket chain in Provo is about to give local grocers a run for their money. Located at a 65,000-square-foot space formerly occupied by Ream's at Plum Tree Shopping Center on University Parkway, the Carson, California based **Buy Low Market** is opening its first Utah store in Provo. The store will employ 100 workers.

—Daily Herald

Foreclosures in Utah are expected to hit a new record high in 2009 as more residents join the jobless ranks and the number of subprime loan resets increase this year, according to the 2009 Economic Report to the Governor. Utah County is among the areas expected to have the greatest concentration of foreclosures in 2009, largely because it saw strong residential construction and a significant rise in home prices during the recent boom years. In 2008 alone, the number of foreclosure filings in Utah County soared 239 percent to a total of 2,898 compared with the same period a year ago, according to a RealtyTrac report.

—Daily Herald

Unemployment claims in Summit County were up 150 percent in December from the previous year. Year-end totals put 2008 about 600 claims higher than 2007, but the alarming fact is that half that difference came just from the fourth quarter. Park City workers are beginning to feel the impact of the recession. But some say the situation might have been different were there more snow.

—Park Record

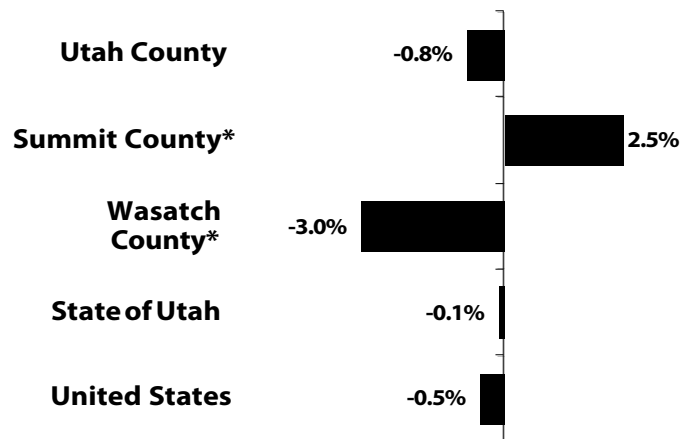
A Lindon investment holding company that owns about 50 acres on the southwestern boundary of The Ranches residential development in **Eagle Mountain** is facing foreclosure after defaulting on its special improvement district assessment. Eagle Mountain set up special improvement districts in 1998 and 2000 to fund the construction of roads and installation of electrical lines, water and sewer pipes, parkways and other infrastructure. The city uses funds from the assessments to make payment on bonds issued to finance the infrastructure build-out.

—Daily Herald

Citing slower sales as a result of the deepening recession, **iMergent Inc.** of Orem is laying off 25 percent of its work force, or about 60 workers, company officials announced. After the layoffs, which include management executives and clerical and sales workers, the e-commerce software seller will have 250 workers. This is the second round of layoffs implemented since December 2007, when the company cut one-fifth of its workforce to save about \$1 million in operating expenses.

—Daily Herald

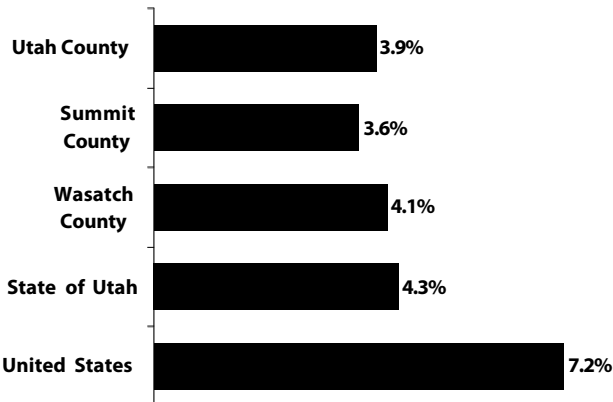
Percent Change in Nonfarm Jobs
September 2007 to September 2008



*The year-over growth rates do not include retail trade to help correct for some misallocation of jobs between these two counties from 2007 to 2008

Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

Seasonally Adjusted Unemployment Rates
December 2008



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

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